

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6604**

**BILL NUMBER:** SB 399

**NOTE PREPARED:** Dec 16, 2010

**BILL AMENDED:**

**SUBJECT:** Confined Feeding Operation Setbacks.

**FIRST AUTHOR:** Sen. Nugent

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that after June 30, 2011, a person may not (1) apply manure; or (2) start construction of a confined feeding operation; within 2 miles of the boundary of a state park or reservoir operated, maintained, or managed by the Department of Natural Resources (DNR). The construction limitation does not apply to the expansion of a confined feeding operation or the expansion of an agricultural operation that will become a confined feeding operation as a result of the expansion.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** The proposal has the potential to reduce state expenditures that could occur for cleanups of animal waste spills near state natural resources. The proposal could also reduce administrative expenses for the Indiana Department of Environmental Management (IDEM) associated with oversight of confined feeding operations if the proposal results in fewer operations being constructed in Indiana. The specific impact is indeterminable.

IDEM is funded by both state General Fund and dedicated fund appropriations.

**Explanation of State Revenues:** If fewer operations are constructed in Indiana as a result of the proposal, revenue generated by fees assessed operators of confined feeding operations could decrease. However, the overall impact is not expected to be significant and will, at least, be offset by the reduction in expenditures.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** DNR, IDEM.

**Local Agencies Affected:**

**Information Sources:** IDEM.

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